

Since 1950, Federal spending has grown, on average, about 7½ percent a year. Federal spending since 1950 has grown 2.5 times as fast as family income has grown.

An interesting number is, that if the family budget since 1950 had grown as fast as the Federal budget has grown, and if the Federal budget had grown as fast as the budget of the average family in America has grown, the average income of working families in America today would be almost \$130,000 a year and the Federal Government would be one-third the size it is today.

Given a choice between the America we have and that America, I would take the America of higher family income and smaller government.

What we are doing in this budget is limiting the growth of Federal spending to no more than 3 percent a year, each year, for the next 7 years.

Now I know we have many people on the other side who will say, well, after having grown at 7½ percent a year for 40 years that to limit the growth to 3 percent a year is going to decimate Government programs.

I would just like to remind my colleagues that every day in America, businesses make tougher decisions than that just to keep their doors open. Every day in America, families make far tougher decisions than that in dealing with the real world problems that families in America face every single day.

The difference is that families and businesses live in the real world in America where you have to make tough choices. Our Government has not lived in the real world for the past 40 years. I think we can take a little pride in the fact that this budget is a major step toward bringing our Government in Washington back into the real world that everybody else lives in.

Under the old budget, under the Clinton budget, the Federal Government over the next 7 years would have spent \$13 trillion. Under this budget, we are still going to spend \$12 trillion. We are talking about spending roughly \$1 trillion less than we would have spent.

But we are talking about more than simply controlling the growth of Government. We are talking about something that I fought for in the Senate. I offered an amendment to cut spending further so we could let working families keep more of what they earn. That amendment was not successful. But I am very proud of the fact that the conference accepted, basically, a variant of the House language that allows working families to keep more of what they earned.

In 1950, the average family with two little children in America sent \$1 out of every \$50 it earned to Washington, DC. Today that average family with two children is sending \$1 out of every \$4 it earns to Washington, DC.

I do not think there are many people in America that believe that Washington is doing a better job of spending that family's money than that family

would do if we let them keep more of what they earn, to invest in their own children, in their own family, in their own business.

I am very proud of the fact that we are making a major step in this budget that is going to let us enact a \$500 tax credit per child so that families can spend more of their own money on their own children on their own future.

In our tax cut, we call for a cut in the capital gains tax rate. I know the President says if you cut tax rates, rich people will exploit the situation. They will invest their money. If they are successful they will earn profits.

Welcome to America. That is how our system works. We want to encourage more people to invest money. I do not understand a country and a Government and people who love jobs but hate people who create them. I do not understand all this class warfare that we are always debating about. If we want people to invest money, we have to provide incentives to people who have money. Those are basically people who have been successful.

What a different world our President is from than the world I am from. When I was growing up and we rode by the nicest house in town, never once did my mama point her finger out and say, "We ought to tax those people, and give us their money." My mother always pointed her finger out and said, "If you work hard and you make good grades, you can have a house like that." I like my mama's America a lot better than I like Bill Clinton's America.

I am proud of the fact that in our budget we provide incentives for people to invest their money to create jobs and growth and opportunity so that other Americans can get their foot on the bottom rung of the economic ladder and climb up and begin to create success for themselves, their family, and their country.

This tax cut that we are talking about in this bill sounds like a small amount of money in Washington, DC, \$500 per child. Many have said, well, it is not enough money to make any difference. Well, to a two-child family in Texas, that is \$1,000. And \$1,000 is real money. The fact that \$1,000 is not real money in Washington, DC, tells more about the problems in Washington, DC, than it does about anything else.

The tax credit for children that we contemplate in our budget will mean that a family with four children, that makes \$35,000 a year, will be taken off the income tax rolls. A family with two children that earns \$45,000 a year, if we go on now and adopt the tax cut that goes with this budget, will see its income taxes cut by one-fourth.

This will mean that working families can keep more of their own money to invest in education, in housing, in nutrition. The President, in criticizing our budget, says this budget cuts spending on children. This is not a debate about how much money we spend on children, but it is certainly a debate about who will do the spending.

President Clinton and the Democrats want the Government to do the spending. We want the family to do the spending. We know the Government and we know the family. We know the difference.

We believe that letting families keep more of what they earn to invest in their own children will mean that they will do a better job and they will be richer and freer and happier.

When we concluded the debate on this budget, I was concerned that we were not going to fulfill the promises that Republicans made in the campaign.

We promised the American people three things if they made Republicans the majority: No. 1, we would balance the budget; No. 2, we would let working families keep more of what they earn; No. 3, we would provide incentives for economic growth. I am proud of the fact that in this final budget we are balancing the budget over a 7-year period. We are letting families keep more of what they earn. We are providing incentives for economic growth.

Promises made, promises kept. That is something that there has not been enough of in Washington, DC. I am very proud to have been part of an effort where we have fulfilled our promises and where we are, in fact, beginning to change the way our Government does its business. I served in the House and in the Senate. I have never had an opportunity to vote for a budget that if fully enforced, under realistic assumptions, would do the job of balancing the Federal budget. I am very proud that I am going to have an opportunity to cast my vote for this budget. It may very well be that 2 years from now or 4 years from now we will have to go back and make an adjustment. It may very well be that we will have to reduce the growth in spending further at some point to get the job done. I am certainly willing to do that.

The important thing today is—and I think every Member of the Senate, whether they vote for this budget or not, can be proud of the fact—that we have written a budget that is a fundamental change. This budget would never have been written had the 1994 elections not been held, had there not been a fundamental change in the makeup and control of Congress.

But we are writing, today, a budget that under realistic assumptions will balance the budget over the next 7 years. It represents a change in policy. It represents the fulfillment of a commitment that we have made to the American people. I think every person who is privileged to serve in the Senate today can be proud of the fact that this budget does what the American people wanted done, change the way we do business in Washington.

It does not complete the job. In and of itself today, it does not balance the budget. But it lays the foundation for a 7-year program that if we stay with it, if we are willing to make